

ENCLOSURE 1

NOTICE OF VIOLATION

**GPU Nuclear Corporation
Oyster Creek Nuclear Generating Station**

**Docket No. 50-219
License No. DPR-16**

During an NRC inspection conducted April 7-11, 1997, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy), NUREG-1600, the violations are listed below.

1. 10 CFR 50.65(a)(1) states that licensees shall monitor the performance or condition of structures, systems, and components (SSCs) against licensee-established goals, in a manner sufficient to provide reasonable assurance that such SSCs are capable of fulfilling their intended functions.

10 CFR 50.65(a)(2) states that the monitoring of Section (a)(1) is not required where it has been demonstrated that the performance or condition of an SSC is being effectively controlled through the performance of appropriate preventive maintenance such that the SSC remains capable of performing its intended functions.

10 CFR 50.65(c) requires that this program be implemented by July 10, 1996.

Contrary to the above, from July 10, 1996 to April 3, 1997, GPUN elected to not monitor the performance or condition of 10 SSCs against licensee-established goals pursuant to the requirements of Section (a)(1), and GPUN had not demonstrated that the performance or condition of those 10 SSCs within the scope of 10 CFR 50.65 was being effectively controlled through the performance of appropriate preventive maintenance. Specifically, for example, GPUN failed to adequately evaluate SSC performance against standards used to determine the effectiveness of the preventive maintenance on the Reactor Protection System. The performance standard was zero MPFFs for a rolling two-year period; system actual performance was five MPFFs over a 3-year period prior to July 10, 1996. Therefore, GPUN's original basis for placing the Reactor Protection System and nine others under the requirements of Section (a)(2) was in error, in that effective preventive maintenance had not been demonstrated, and the systems should have been being monitored in accordance with Section (a)(1) no later than July 10, 1996.

This is a Severity Level IV violation.

2. 10 CFR 50.65(a)(3) states that licensees shall conduct evaluations of performance and condition monitoring activities and associated goals and preventive maintenance activities at least every refueling cycle, not to exceed 24 months between evaluations. Industry operating experience is to be taken into account, where practical. Adjustments shall be made where necessary to ensure that the objective of preventive failures of SSCs through maintenance is appropriately balanced against the objective of minimizing unavailability of SSCs due to monitoring or preventive maintenance.

Contrary to CFR 50.65(a)(3), the GPUN evaluation completed March 28, 1997, provided only a general review of maintenance and did not evaluate the performance of the applicable SSCs against their respective goals; failed to demonstrate effective preventive maintenance for SSCs that are being monitored under (a)(2); failed to identify how industry wide operating experience was reviewed to identify potential problems that were applicable to the plant; did not evaluate corrective actions taken as a result of ongoing maintenance activities or goal setting to ensure actions were taken when appropriate or that adjustments were made, where necessary; and did not evaluate maintenance activities to determine whether the objective of preventing failures had been appropriately balanced against the objective of assuring acceptable SSC availability.

This is a Severity Level IV violation

Pursuant to the provisions of 10 CFR 2.201, GPU Nuclear Corporation is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region I, and a copy to the NRC Resident Inspector within 30 days of the receipt date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an order may be issued to show cause why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Dated at King of Prussia, Pennsylvania
this 30th day of May 1997